



FY 2002 Budget In Brief

The Proposed Fiscal Year (FY) 2002 Budget addresses the Mayor and Council's 1999-2001 policy initiatives – creative growth management, neighborhood revitalization and code enforcement, Town Center, and technology. The budget also demonstrates the Mayor and Council's commitment to seeking citizen participation and input on City projects, providing premium customer service, enhancing the physical attributes of the community, and enriching the lives of all who live, work, and visit the City of Rockville.

Total Budget

The FY 2002 operating budget is \$62,430,415. This represents an increase of 3.2 percent over the revised FY 2001 budget, net of the appropriated fund balance in the General Fund and a one-time loan repayment received during FY 2001. The chart located on pg. 2 illustrates how, by department, approximately \$1 of taxpayers' money is allocated.

The General Fund budget of \$38,703,945 is 4.7 percent higher than the revised FY 2001 budget, also net of the appropriated fund balance. General Fund revenues in FY 2002 will exceed the revenue in the revised FY 2001 budget by \$1.7 million. The major portion of this increase is a projected increase in real property tax revenue of \$1.2 million or 8 percent of the FY 2001 amount. Revenue from income taxes is budgeted at slightly below the FY 2001 budget, although this represents a 4.3 percent increase over the amount received in FY 2000, as adjusted.

The Capital Improvements Program (CIP) incorporates \$89,508,000 of community enhancements to be made over the next six years. In addition, open projects from prior years in the amount of \$65,830,000 will be included in the FY 2002 CIP appropriation. The Capital Projects Fund will issue bonds in the amount of \$13,698,000 to finance projects. The Water Fund will receive \$2,700,000 in additional loan funds from the Maryland Department of the Environment for capital projects, and the Sewer Fund will issue bonds in the amount of \$2,000,000 to finance the additional improvements at the Blue Plains Treatment facility. The Refuse Fund will issue debt in the amount of \$318,000 to purchase refuse vehicles.

Mayor and Council Policy Initiatives

The FY 2002 budget builds on the groundwork that was laid in FY 2001 and will continue to focus on the Mayor and Council's policy initiatives established for the 1999-2001 term.

Creative Growth Management

In FY 2002, the Planning Commission and Mayor and Council will complete the update of the City's Master Plan, a document which will support and promote the principles of Smart Growth in all phases of planning, design, and construction. To

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2002 Budget Schedule

The Mayor and Council of Rockville believe it is vital for citizens and neighborhoods to be involved in City projects, and the perfect time to get involved is the annual spring budget process, which is currently underway.

The budget process is when new projects are introduced and choices are made on funding and scheduling. Recommendations for adjustments to projects that are included in the six-year Capital Improvements Program (CIP) also are made at this time. By voicing their input, City residents can play an important role in Rockville's priority setting.

The FY 2002 Budget Schedule is as follows:

- **April 30** – Budget Public Hearing #1
- **May 7** – Budget Public Hearing #2
- **May 14** – Budget Work Session #1
- **May 21** – Budget Work Session #2
- **Aug. 10** – Adopted budget available to public

The Mayor and Council hope that you will take part in the annual budget process. Copies of the proposed budget are available at City Hall, the Rockville Regional Library, and the Twinbrook Library. For a broad overview of the budget, download the City Manager's FY 2002 executive summary and slide presentation by visiting the City's Web site at www.ci.rockville.md.us, or by calling Julie Jacobson, Assistant to the City Manager, at 301-309-3305.

FY 2002 Budget Highlights

Overview:

- The FY 2002 operating budget is \$62.4 million representing a 3.2 percent increase over the revised Fiscal Year (FY) 2001 budget, net of the appropriated fund balance in the General Fund and a one-time loan repayment received during FY 2001.
- General Fund revenues in FY 2002 will exceed the revenue in the revised FY 2001 budget by \$1.7 million. The major portion of this increase is a projected increase in real property tax revenue of \$1.2 million or 8 percent of the FY 2001 amount. Revenue from income taxes is budgeted at slightly below the FY 2001 budget, although this represents a 4.3 percent increase over the amount received in FY 2000, as adjusted.
- The Capital Improvements Program incorporates \$89.5 million of community enhancements to be made over the next six years.
- The Capital Projects Fund will issue bonds in the amount of \$13.7 million to finance projects. The Water Fund will receive a \$2.7 million loan for capital projects and the Sewer Fund will issue bonds in the amount of \$2 million to finance the additional improvements at the Blue Plains Treatment facility. The Refuse Fund will issue debt in the amount of \$318,000 to purchase refuse vehicles.

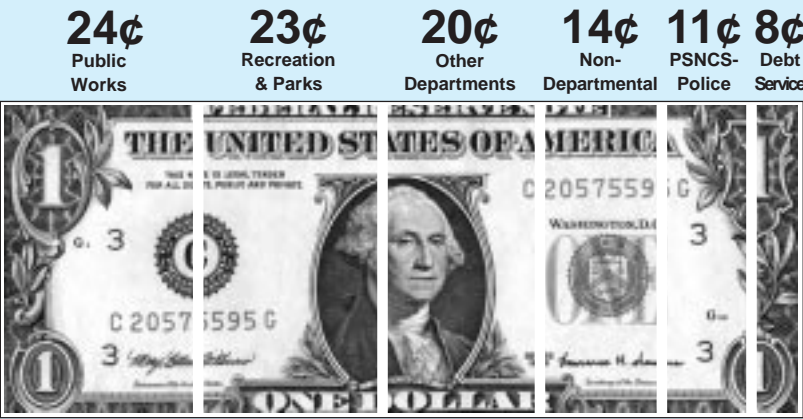
Rate Information:

- The property tax rate remains unchanged. However, as a result of a change to State law, all real property in the City will be assessed at 100 percent of value, rather than at 40 percent for the tax year beginning July 1, 2001 (FY 2001 = \$0.805 at 40 percent of assessed value; FY 2002 = \$0.322 at 100 percent of assessed value).
- The water rate will increase by 9 cents per thousand gallons, raising the rate to \$1.85 per thousand gallons. This increase supports operational and capital improvement costs.
- The sewer rate will increase by 13 cents per thousand gallons, raising the rate to \$3.25 per thousand gallons. This revenue will support the City's share of the District of Columbia Water and Sewer Authority's capital improvements program at the Blue Plains Wastewater Treatment Plant.
- The refuse rate will increase by \$1.25 per month, raising the fee to \$22.25 per month. This increase in the monthly rate is necessary to maintain desired service delivery levels.

New Full-Time Positions:

- A construction codes inspector will help to meet the growing demands of citywide development and growth.
- The Web/Graphics Assistant will help to enhance and expand services to the Web (from .8 temporary position to 1.0 full-time equivalent).
- The addition of two police officers will help to maintain current law enforcement service levels in newly developing areas.
- A maintenance worker will assist with general maintenance for City streets, sidewalks, and utilities.
- The Water Treatment Plant Helper helps to address the shortage of Water Plant Operators in the State of Maryland.
- The Assistant Community Center Supervisor at the Lincoln Park Community Center addresses the increase in center users (from .8 temporary position to 1.0 full-time equivalent).
- The Theatre Technician IV is a revenue supported position for the F. Scott Fitzgerald Theatre (from .5 temporary to 1.0 full-time equivalent).

How the City’s Money is Spent



Illustrates how, by department, approximately \$1 of taxpayers’ money is allocated.

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handle the additional workload created by the ongoing construction at King Farm, Tower Oaks, Fallsgrove, Town Center, and citywide infill developments, an additional Construction Codes Inspector is proposed in the FY 2002 budget. Also, \$8,000 has been added to the Department of Community Planning and Development Services (CPDS) budget for additional training and operating costs due to the creation in FY 2001 of the Long-Range Planning Division.

As a result of the Creative Growth Management Policy Initiative, the Mayor and Council have emphasized seeking and securing state and federal grants for transportation projects, and, in FY 2001, the City received several grants totaling nearly \$2.5 million that will be expended over FY 2002.

Neighborhood Revitalization and Code Enforcement

To address housing and revitalization issues, a Housing and Neighborhood Revitalization Division has been created within the CPDS department. This new division will be responsible for managing Community Development Block Grants (CDBG), the Moderately Priced Dwelling Unit (MPDU) Program, and coordinating residential and commercial revitalization efforts in general, and the Town Center revitalization effort in particular.

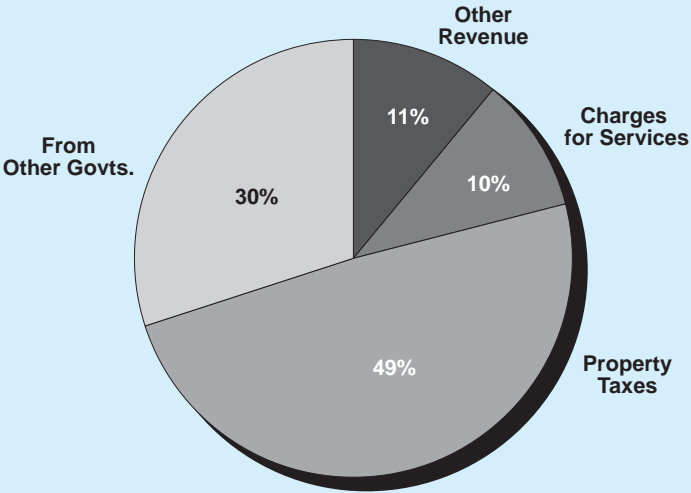
In FY 2002, the City will partner with Rockville Housing Enterprises (RHE), formerly known as the Rockville Housing Authority, and the Montgomery County Housing Opportunities Commission to purchase MPDUs at King Farm and Fallsgrove. Also, the City will continue working with RHE on the Moore Dr. redevelopment project with the goal of replacing the existing multi-family rental units with new owner-occupied townhomes, duplexes, and detached units.

To enhance and better coordinate neighborhood-related programs, the Neighborhood Enhancement Program and the Neighborhood Resource Program have become part of the renamed Department of Public Safety, Neighborhood, and Community Services (PSNCS). The Neighborhood Enhancement Program is responsible for residential and commercial code enforcement and the Neighborhood Resource Program is responsible for providing two-way communication between neighborhoods and City government.

With the renovation and expansion of the Lincoln Park Community Center, this budget proposes to adjust the Program Assistant position from a 0.8 full-time equivalent (FTE) to a 1.0 FTE Assistant Community Center Supervisor.

The Mayor and Council’s commitment to neighborhoods will continue in FY 2002 with the \$695,000 renovation of the Elwood Smith Community Center. The proposed CIP also includes \$254,000 for the renovation of the Montrose Community Center in FY 2002, and the construction of a new \$3.3 million community recreation center at Thomas Farm in FY 2006.

City’s Revenue



Town Center

Another of the Mayor and Council’s top priorities is the revitalization of Rockville’s Town Center. As part of this initiative, the Town Center Master Plan, which will be completed by early FY 2002, will provide a blueprint for the continued redevelopment of the Town Center.

The Greater Rockville Partnership (GRP) is a non-profit organization, which was established in 1997 to pursue economic development activities for the City. The FY 2002 budget proposes to renew the GRP three-year contract with the City and increase funding levels from the current annual amount of \$200,000 to \$320,000. This level of funding will enable GRP to add a Town Center staff person while keeping the current Administrative Assistant position. Having a dedicated Town Center manager will bring heightened awareness of new developments in Town Center.

Last year, the Mayor and Council were successful in securing \$1 million in the Governor’s Supplemental Budget for the design of a parking garage, which is intended to address part of the 2,400 space parking deficit anticipated in the Town Center over the next 10 years. The increased parking demand is generated from patrons of the State District Court, County government offices and circuit courts, and the Rockville Regional Library. Moreover, the FY 2002 CIP includes a \$1 million increase in the Town Center Parking project with a total allocation of \$3.5 million. This is intended to fund the portion of the construction costs associated with the City’s future parking needs.

Code Enforcement Remains Priority Initiative



Bill Calloway, one of Rockville’s Housing Inspectors, leaves a notice on the door of a home in the Twinbrook community to inform the owner of a housing code violation. Neighborhood Revitalization and Code Enforcement is one of the Mayor and Council’s major policy initiatives for their 1999-2001 term.

Technology

This year the Department of Information and Technology (IT) completed the City’s first IT Strategic Plan. The three-year plan sets the direction for the City’s future use of technology and represents a significant step in achieving one of the major goals of the Mayor and Council’s Technology Initiative.

Through the City’s 24-hour a day, seven-day a week Web site and proposed interactive telephone system, citizens will be able to register for recreation classes; download City forms; check on the status of their permits, plans, and inspections; and pay utility bills or parking tickets.

To support continued enhancements to the Web site, included in the FY 2002 proposed budget is the increase of the Web/Graphics Assistant position from a temporary 0.8 FTE to a regular 1.0 FTE. The City’s new telephone system will be submitted to the Mayor and Council for approval during FY 2002.

The City’s institutional network (I-Net) of fiber optic cable, which is considered the “backbone” for data, telephone, and video traffic between key City facilities, continues to be a Mayor and Council priority. The City has requested \$250,000 from Montgomery County’s Cable Plan for the equipment needed to “light” or activate the City’s I-Net.

The City expanded the use of the Geographic Information System (GIS) to include more than 60 layers such as zoning, neighborhood, subdivision, historic district, and City limits. In FY 2002, plans will be underway to launch a user-friendly interactive map interface on the City’s Web site.

Performance Measures

Building upon the Mayor and Council’s commitment to continually seek ways to improve City services and the quality of life for residents, in FY 2001 the City administered its first citizen satisfaction survey. The survey helped to measure community perceptions relating to certain quality of life issues and allowed the City to assess citizens’ overall satisfaction with City services. A complete report of the survey results may be found on the City’s Web site or by contacting the City Manager’s Office at 301-309-3300.

100 Percent of Value Assessment

As the result of a change to State law, all real property in the City of Rockville will be assessed at 100 percent of value, rather than at 40 percent for the tax year beginning July 1, 2001.

The current real property tax rate of \$0.805 for each \$100 of assessed value is equivalent to a rate of \$0.322, with assessments set at full value. Personal property has always been assessed at full value. State law now specifies that personal property shall be taxed at 2.5 times the real property rate ($\$0.322 \times 2.5 = \0.805).

For more information, call the City’s Department of Finance at 301-309-3360.

Outside Agencies

The proposed budget provides for a \$20,000 increase over the FY 2001 funds available for caregivers in our community. This six percent increase in funding reflects the revenue growth between the FY 2001 and FY 2002 adopted budgets for the General Fund and will help meet the financial needs of existing caregivers and the new outside agencies requesting funds.

Funding for Peerless Rockville Historic Preservation Ltd. and Rockville Arts Place Inc. remains at FY 2001 levels, and funding for the Rockville Consortium for Science is proposed to increase by \$300.

Workforce Issues

To remain a competitive employer, the City took several actions in FY 2001:

- Conducted a comprehensive review of its salary structure;
- Provided a higher monetary subsidy for the Parc-It Program; and,
- Implemented a telework program.

The FY 2002 budget proposes adopting salary adjustments of \$280,000 and increasing funding to the Parc-It Program by \$8,717. Under the Parc-It Program, employees who are willing to relinquish their parking pass and use public or alternative transportation are eligible to receive \$65 per month on a pre-tax basis toward the purchase of transit passes.

At the direction of the Mayor and Council, Rockville became one of the first public employers in Maryland to implement a telework program designed to reduce traffic congestion, improve air quality, lessen City Hall parking demands and overcrowding, and increase employee productivity.

New Positions

The FY 2002 budget recommends an increase of 5.9 FTEs to complement the City’s current workforce in support of the Mayor and Council’s policy agenda. With the additional staffing, the City will strive to provide timely code inspections, enhanced services to the Web, appropriate police protection, general maintenance and water treatment plant maintenance, and staff support at the Lincoln Park Community Center and F. Scott Fitzgerald Theatre.

Comparison of Costs FY 2001 to FY 2002

Total increase 4.85% or \$58.55 for the average home

PROPERTY TAX — up 4.59%	SEWER — up 4.17%
➤ FY 2001 = \$601.82	➤ FY 2001 = \$224.64
➤ FY 2002 = \$629.42	➤ FY 2002 = \$234.00
WATER — up 5.11%	REFUSE — up 5.95%
➤ FY 2001 = \$126.72	➤ FY 2001 = \$252.00
➤ FY 2002 = \$133.20	➤ FY 2002 = \$267.00

Other Funds

Water and Sewer Funds

The Water Fund will need a rate increase of \$0.09 per thousand gallons in FY 2002, raising the rate to \$1.85 per thousand gallons; an increase of 5.11 percent.

The Sewer Fund will need a rate increase of \$0.13 per thousand gallons in FY 2002, raising the rate to \$3.25 per thousand gallons; an increase of 4.17 percent. This increase supports operational and capital improvement costs.

Extensive capital improvements at the Blue Plains Sewage Treatment Plant are driving the increase to the sewer rate. The Blue Plains Sewage Treatment Plant is a regional sewage treatment facility for Washington, D.C. and the Maryland suburbs, managed and operated by the District of Columbia Water and Sewer Authority (DCWASA). The funding set aside to pay for this project covers the City’s portion of the capital improvements program including the expansion and upgrade of treatment processes and disposal of sludge.

Refuse Fund

A cash flow analysis of the Refuse Fund has identified the need for a \$1.25 increase in the monthly rate for refuse collection, disposal, and recycling services. The proposed FY 2002 rate of \$22.25 is a 5.95 percent increase from FY 2001. The Refuse Fund will begin to purchase refuse vehicles through the issuance of debt beginning in FY 2002.

Conclusion

City staff has prepared a responsible financial plan that will further the Mayor and Council’s policy agenda and will continue the outstanding quality of life which Rockville residents have come to enjoy and expect. The City’s workforce of dedicated employees stands ready to implement the budget once adopted and advance the Mayor and Council’s policy agenda for the Rockville community. ■

Croydon Nature Center to Open this Summer



◀ Front View of Nature Center



Back View of ▶ Nature Center

Construction of the new Croydon Creek Nature Center, to be located at Rockville Civic Center Park, is underway. The center is expected to open its doors this summer. The center will highlight nature in the urban setting and include interesting exhibits and informative programs to help visitors understand the importance of “thinking globally and acting locally.”

Elwood Smith Community Center Undergoes Renovations



The Elwood Smith Community Center currently is undergoing general renovations and accessibility upgrades. These include adding a meeting/activities room, renovating the restrooms, adding storage, and replacing the roof. Construction should be completed by September 2001.



FY 2002-2007 Capital Improvements Program

The following projects are included in the recommended six-year CIP listed by area.

Area 1

Recreation and Parks

- Athletic Court System Improvements
- Outdoor Security Lighting
- Park Pedestrian Bridge Replacements
- Park Shelter Improvements
- Recreation Center Improvements*
- RedGate Golf Course – Improvements

Transportation

- Avery Rd. – Right Turn at Md. Rte. 28
- Baltimore Rd./Md. Rte. 28 to Broadwood**
- Highland Ave. Dead End
- Horners Ln. – Tank Demolition
- Town Center – Street Light/Traffic Control

Environment

- Beall Ave./Park Rd. – Water Main Replacement
- Lincoln Park – Drainage Improvements
- Lincoln Park – Sump Pump Program
- North Horners Ln. – Water Main
- Northeast Park – Stormwater Management (SWM) Retrofit
- RedGate Golf Course – SWM Retrofits
- Sanitary Sewer Rehabilitation

General Government, Technology, and Community Enhancement

- Town Center – Wayfinding Program

Area 2

Recreation and Parks

- Croydon Creek Nature Center
- F. Scott Fitzgerald Theatre and Social Hall
- Glenview Mansion Master Plan Improvements
- Outdoor Security Lighting
- Park Pedestrian Bridge Replacements
- Twinbrook – Street Tree Replacement

Transportation

- Baltimore Rd./Md. Rte. 28 to Broadwood**
- Sidewalk Links II

Environment

- RedGate Golf Course – SWM Retrofits
- Sanitary Sewer Rehabilitation

Area 3

Recreation and Parks

- Athletic Court System Improvements
- Recreation Center Improvements*
- Twinbrook – Street Tree Replacement

Transportation

- ADA Pedestrian Modifications*

Environment

- Alsace Ln. – Stream Improvements
- Chapman Ave. – Water Main
- Horizon Hills Park – SWM Facilities*
- Lewis Ave. – Water Main
- RedGate Golf Course – SWM Retrofits
- Rock Creek – Wastewater Facilities*
- Rockcrest – Stream Improvements

Area 4

Recreation and Parks

- Ballfield Improvements
- Dawson Farm Park – Improvements
- Elwood Smith Community Center Improvements
- Montrose Community Center Improvements
- Outdoor Security Lighting

- Park Pedestrian Bridge Replacements
- Recreation Center Improvements*

Transportation

- Fleet St. – Extension, Phase III
- Sidewalk Links II

Environment

- Cabin John – Relief Sewer
- Dawson Farm Park –Retrofit SWM Facility
- Drainage Improvements
- Jefferson Street – Water Main
- Mount Vernon – Retrofit SWM Facility
- North Farm – Retrofit SWM Facility
- Sanitary Sewer Rehabilitation
- Tower Oaks SWM Pond*
- Water Storage Tank – Cathodic Protection

Area 5

Recreation and Parks

- Athletic Court System Improvements
- Contribution to Community-Sized Gyms*
- Park Pedestrian Bridge Replacements

Transportation

- ADA Pedestrian Modifications*
- Street Geometric and Safety Improvements
- Wootton Pkwy. – Bridge Rehabilitation
- Wootton Pkwy. – Falls Rd. to Glen Mill Rd.

Environment

- Fallsgrove – Water Booster Station*
- Water Storage Tank – Cathodic Protection
- Watts Branch – Sewer Main Stem**
- Watts Branch – Watershed Plan
- Wootton Pkwy. – SWM Facility

Area 6

Recreation and Parks

- Ballfield Improvements
- Beall-Dawson Historical Park Master Plan Improvements
- Contribution to Community-Sized Gyms*
- Fallsgrove – Park and School Site
- King Farm – “Farmstead” Park Site
- King Farm – Park
- Outdoor Security Lighting
- Senior Center – Master Plan Improvements
- Swim Center – Master Plan Improvements
- Thomas Farm – Community Recreation Center
- Town Center – Decorations

Transportation

- Great Falls Rd. – Improvements
- Great Falls Rd. – Water/Sewer Relocation
- Maryland Ave. – Extension
- Sidewalk Links II
- Street Geometric and Safety Improvements
- Town Center – Street Light/Traffic Control
- West End Improvements

Environment

- Adclare Rd. – Water Main
- Aintree Retrofit – SWM Facility**
- Beall Ave./Park Rd. - Water Main Replacement
- Carnation Dr./I-270 Industrial Park SWM*
- College Gardens Park – SWM Facility*
- Sanitary Sewer Rehabilitation
- Thomas Farm – Pressure Reducing Valve
- Water Storage Tank – Cathodic Protection
- Watts Branch – Sewer Main Stem**
- Watts Branch – Upper Stream*
- Watts Branch – Watershed Plan
- Welsh Park – SWM Facility*
- Woodley Gardens – Park Stream*
- Woottons Mills Park – Middle Stream*
- Woottons Mills Park – Upper Stream*

General Government, Technology, and Community Enhancement

- City Hall Expansion/Improvements
- Town Center – Enhancements
- Town Center – Parking
- Town Center – Parking Control
- Town Center – Wayfinding Program

** Indicates new projects*

*** Indicates substantially completed projects.*

Capital Improvement Projects Area Map

